LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6723 DATE PREPARED: Dec 12, 2001

BILL NUMBER: HB 1372 BILL AMENDED:

SUBJECT: Unemployment benefits for educational employees.

FISCAL ANALYST: Chuck Mayfield

PHONE NUMBER: 232-4825

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that an employee of an educational institution who does not continue in service with the educational institution after the end of an academic year or term is not eligible for unemployment benefits until after the date the employee would have returned to service for the next academic year or term if the employee were still providing services to the educational institution.

Effective Date: July 1, 2002.

<u>Explanation of State Expenditures:</u> The bill could potentially reduce expenses for unemployment benefits at state educational institutions, including state universities

Explanation of State Revenues:

Explanation of Local Expenditures: The bill could potentially reduce local school expenses for unemployment benefits. During the 2000-01 school year, schools spent \$3.9 M on unemployment benefits.

Explanation of Local Revenues:

State Agencies Affected: State educational institutions.

Local Agencies Affected: State educational institutions.

Information Sources: Department of Education Biannual Financial Reports.

HB 1372+ 1